

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

## FISCAL IMPACT REPORT

SPONSOR Feldman DATE TYPED 1/27/05 HB \_\_\_\_\_

SHORT TITLE Medicaid Program Funding SB 21

ANALYST Weber

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	\$92,000			Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates HB 171

Duplicates Appropriation in the General Appropriation Act

### REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY05	FY06			
	\$237,631		Recurring	Federal Funds

(Parenthesis ( ) Indicate Revenue Decreases)

### SOURCES OF INFORMATION

LFC Files

Responses Received From

Human Services Department

**SUMMARY**

Synopsis of Bill

Senate Bill 21 appropriates \$92 million from the GENERAL FUND to The Human Services Department for the purpose continuing the current level of benefits and eligibility in the Medicaid program and to allow for growth in the projected number of recipients and the rising costs of providing services to beneficiaries.

Significant Issues

A significant increase is included in the LFC and DFA recommendation making the requirement for Medicaid funding considerable less than the \$92 million included in SB 21.

**FISCAL IMPLICATIONS**

The appropriation of \$92 million contained in this bill is a RECURRING expense to the GENERAL FUND. Any unexpended or unencumbered balance remaining at the end of FISCAL YEAR 2006 shall revert to the GENERAL FUND.

**OTHER SUBSTANTIVE ISSUES**

It is uncertain what is meant by the rising costs of services. If this refers to inflation factors related to the program it may be valuable to define which will be used to adjust the reimbursements and subsequently the appropriation requirement.

**MW/lg:sb**